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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

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BOB STUMP- Chairman

DEC 31 2014

GARY PIERCE

BRENDA BURNS

BOB BURNS

SUSAN BITTER SMITH

DOCKETED BY

AZ CORP COMMISSION
DOCKET CONTROL

IN THE MATTER OF THE APPLICATION OF
JOSHUA VALLEY UTILITY CO., INC. FOR A
PERMANENT INCREASE TO ITS WATER
RATES.

DOCKET NO. W-02023A-14-0395

RATE CASE PROCEDURAL ORDER

BY THE COMMISSION:

On November 26, 2014, Joshua Valley Utility Co., Inc. ("Joshua Valley" or "Company") filed with the Arizona Corporation Commission ("Commission") an application for an increase in its water rates and charges, using a test year ("TY") ending December 31, 2013. Joshua Valley's application requests authorization to increase rates to generate an additional \$207,151 in revenues per year, resulting in a 71 percent increase over adjusted TY revenues of \$292,031, for a proposed total revenue requirement of \$499,320. Under the Company's proposed rates, the minimum monthly charge for a customer served by a 5/8 x 3/4-inch meter, with an average monthly water usage of 2,540 gallons would increase from \$22.00 to \$38.10.

On December 22, 2014, the Commission's Utilities Division ("Staff") filed a Letter of Sufficiency indicating that Joshua Valley's application had met the sufficiency requirements outlined in Arizona Administrative Code ("A.A.C.") R14-2-103, and that Joshua Valley had been classified as a Class C utility.

Pursuant to A.A.C. R14-2-103 and A.A.C. R14-3-101 *et seq.*, the Commission now issues this Procedural Order to govern the preparation and conduct of this proceeding.

IT IS THEREFORE ORDERED that the **hearing** in the above-captioned matter shall commence on **July 9, 2015, at 10:00 a.m.**, or as soon thereafter as is practical, in Hearing Room No. 1 at the Commission's offices, 1200 West Washington, Phoenix, Arizona 85007, and shall continue, if necessary, at **10:00 a.m. on July 10, 2015**, and on such other dates as are determined if needed.

1 IT IS FURTHER ORDERED that a **pre-hearing conference** shall be held on **June 23, 2015,**
2 **at 10:00 a.m.,** or as soon thereafter as is practical, at the Commission's offices, Hearing Room No. 1,
3 1200 West Washington, Phoenix, Arizona 85007, for the purpose of scheduling witnesses and
4 discussing the conduct of the hearing.

5 IT IS FURTHER ORDERED that the **Staff Report/direct testimony and associated**
6 **exhibits** to be presented at hearing by **Staff** shall be reduced to writing and filed on or before **May 4,**
7 **2015.**

8 IT IS FURTHER ORDERED that the **direct testimony and associated exhibits** to be
9 presented at hearing by an **intervenor** shall be reduced to writing and filed on or before **May 4, 2015.**

10 IT IS FURTHER ORDERED that the **rebuttal testimony and associated exhibits** to be
11 presented at hearing by **Joshua Valley** shall be reduced to writing and filed on or before **May 26,**
12 **2015.**

13 IT IS FURTHER ORDERED that the **surrebuttal testimony and associated exhibits** to be
14 presented at hearing by **Staff or intervenors** shall be reduced to writing and filed on or before **June**
15 **8, 2015.**

16 IT IS FURTHER ORDERED that any **rejoinder testimony and associated exhibits** may be
17 presented orally at hearing by **Joshua Valley.**

18 IT IS FURTHER ORDERED that **all testimony** filed shall include a **table of contents** listing
19 the issues discussed.

20 IT IS FURTHER ORDERED that **all filings shall be made by 4:00 p.m.** on the date the
21 filing is due, unless otherwise indicated.

22 IT IS FURTHER ORDERED that **the parties shall prepare, jointly or individually, and**
23 **bring to the pre-hearing conference, copies of an issues matrix/matrices** setting forth all disputed
24 issues in the case, the position of each party on each disputed issue, whether the disputed issue
25 remains in dispute or has been resolved, and the manner in which it was resolved.

26 IT IS FURTHER ORDERED that **any objections to testimony or exhibits** that have been
27 filed as of **June 8, 2015,** shall be made on or before **June 15, 2015.**
28

1 IT IS FURTHER ORDERED that any **substantive corrections, revisions, or supplements**
2 **to pre-filed testimony**, with the exception of rejoinder testimony, shall be reduced to writing and
3 filed no later than five calendar days before the witness is scheduled to testify. Substantive
4 corrections, revisions, or supplements to pre-filed rejoinder testimony shall be reduced to writing and
5 presented on the first day of hearing.

6 IT IS FURTHER ORDERED that any motion filed in this matter, other than a motion to
7 intervene, that is not ruled upon by the Commission within 20 calendar days of the filing date of the
8 motion shall be deemed denied.

9 IT IS FURTHER ORDERED that any response to a motion, other than a motion to intervene,
10 shall be filed within five calendar days of the filing date of the motion.

11 IT IS FURTHER ORDERED that any reply related to a motion shall be filed within five
12 calendar days of the filing date of the response to the motion.

13 IT IS FURTHER ORDERED that **intervention** shall be in accordance with A.A.C. R14-3-
14 105, except that all motions to intervene must be filed on or before **February 6, 2015**.

15 IT IS FURTHER ORDERED that any **objections to intervention** shall be filed on or before
16 **February 20, 2015**.

17 IT IS FURTHER ORDERED that **Joshua Valley shall provide public notice** of the hearing
18 in this matter, in the following form and style, with the heading in no less than 12-point bold type and
19 the body in no less than 10-point regular type:

20 **PUBLIC NOTICE OF HEARING ON THE APPLICATION OF**
21 **JOSHUA VALLEY UTILITY CO., INC. FOR A PERMANENT**
22 **INCREASE TO ITS WATER RATES**
(DOCKET NO. W-02023A-14-0395)

23 On November 26, 2014, Joshua Valley Utility Co., Inc. ("Joshua Valley" or
24 "Company") filed with the Arizona Corporation Commission ("Commission") an
25 application for an increase in its water rates and charges, using a test year ("TY")
26 ending December 31, 2013. Joshua Valley's application requests authorization to
27 increase rates to generate an additional \$207,151 in revenues per year, resulting in a 71
percent increase over adjusted TY revenues of \$292,031, for a proposed total revenue
requirement of \$499,320. Under the Company's proposed rates, the minimum
monthly charge for a customer served by a 5/8 x 3/4-inch meter, with average monthly
water usage of 2,540 gallons would increase from \$22.00 to \$38.10.

28 The Commission's Utilities Division Staff ("Staff") is in the process of auditing and
analyzing Joshua Valley's records and has not yet made a recommendation regarding

Joshua Valley's rate application. The Commission is not bound by the proposals made by Joshua Valle, Staff, or any intervenors. **The Commission will issue a decision regarding Joshua Valley's rate application following consideration of testimony and evidence presented at an evidentiary hearing. The final rates approved by the Commission may be higher or lower than those proposed by Joshua Valley.**

A copy of the application is available at Joshua Valley's offices [insert addresses] and at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona, for public inspection during regular business hours, and on the internet via the Commission website (www.azcc.gov) using the e-docket function.

The Commission will hold a hearing on Joshua Valley's application beginning **July 9, 2015, at 10:00 a.m., and continuing on July 10, 2015, at 10:00 a.m., if necessary** at the Commission's offices, 1200 West Washington Street, Hearing Room No. 1, Phoenix, Arizona. Public comments will be taken on the first day of the hearing. Written public comments may be submitted by mailing a letter referencing Docket No. W-02023A-14-0395 to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website (www.azcc.gov) using the "Submit a Public Comment" function. If you require assistance, you may contact the Consumer Services Section at 1-800-222-7000.

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. Anyone who wishes to intervene must file an original and 13 copies of a written motion to intervene with the Commission no later than **February 6, 2015**, and send a copy of the motion to Joshua Valley or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. The name, address, and telephone number of the proposed intervenor and of any person upon whom service of documents is to be made if different from that of the intervenor;
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer or potential customer of Joshua Valley, a member or shareholder of Joshua Valley, etc.);
3. A statement certifying that a copy of the motion to intervene has been mailed to Joshua Valley or its counsel and to all parties of record in the case; and
4. If the proposed intervenor is not represented by an attorney who is an active member of the Arizona State Bar, and is not an individual representing himself or herself, information and any appropriate documentation demonstrating the intervenor's compliance with Arizona Supreme Court Rules 31, 38, and 42, as applicable.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before on February 6, 2015. If representation by counsel is required by Arizona Supreme Court Rules 31 and 38, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing

1 and to cross-examine other witnesses. However, failure to intervene will not preclude
2 any interested person or entity from appearing at the hearing and providing public
3 comment on the application or from filing written comments in the record of the case.

4 The Commission does not discriminate on the basis of disability in admission to its
5 public meetings. Persons with a disability may request a reasonable accommodation
6 such as a sign language interpreter, as well as request this document in an alternative
7 format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail
8 SABernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as
9 early as possible to allow time to arrange the accommodation.

10 IT IS FURTHER ORDERED that Joshua Valley **shall, by January 23, 2015, send** a copy of
11 the above notice to each of its current customers via First Class U.S. Mail and have the above notice
12 **published** in a newspaper of general circulation in its service territory.

13 IT IS FURTHER ORDERED that Joshua Valley shall, **by February 6, 2015, file**
14 **certification of mailing and publication** of the above notice.

15 IT IS FURTHER ORDERED that notice shall be deemed complete upon mailing and
16 publication, notwithstanding the failure of an individual to read or receive the notice.

17 IT IS FURTHER ORDERED that the Ex Parte Rule (A.A.C. R14-3-113-Unauthorized
18 Communications) applies to this proceeding and shall remain in effect until the Commission's
19 Decision in this matter is final and non-appealable.

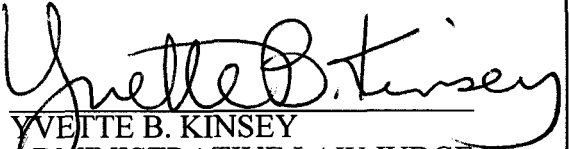
20 IT IS FURTHER ORDERED that all parties must comply with Arizona Supreme Court Rules
21 31 and 38 and A.R.S. § 40-243 with respect to practice of law and admission *pro hac vice*.

22 IT IS FURTHER ORDERED that withdrawal of representation must be made in compliance
23 with A.A.C. R14-3-104(E) and Rule 1.16 of the Rules of Professional Conduct (under Arizona
24 Supreme Court Rule 42). Representation before the Commission includes appearances at all hearings
25 and procedural conferences, as well as all Open Meetings for which the matter is scheduled for
26 discussion unless counsel has previously been granted permission to withdraw by the Administrative
27 Law Judge or the Commission.

28 IT IS FURTHER ORDERED that the time periods specified herein shall not be extended
pursuant to Rule 6(a) or (e) of the Rules of Civil Procedure.

1 IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend,
2 or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at
3 hearing.

4 DATED this 31st day of December, 2014.

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7 
8 YVETTE B. KINSEY
ADMINISTRATIVE LAW JUDGE

9 Copies of the foregoing mailed
10 this 31st day of December, 2014 to:

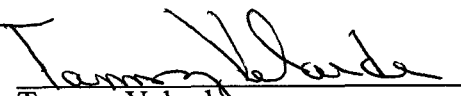
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